

SENATE BILL REPORT

SB 5194

As of January 25, 2019

Title: An act relating to the review of urban growth area boundaries.

Brief Description: Concerning the review of urban growth area boundaries.

Sponsors: Senators Short and Palumbo.

Brief History:

Committee Activity: Local Government: 1/24/19.

Brief Summary of Bill

- Adds economic development and housing considerations to comprehensive plan elements.
- Requires consideration of median household income estimates and housing forecasts to ensure urban growth in a way that encourages a variety of housing types, values, and densities.
- Requires consideration of the cost burden of housing on households as part of the Buildable Lands Report (BLR).
- Requires all BLRs within five years of the federal census and removes provisions regarding early revisions to the BLR.

SENATE COMMITTEE ON LOCAL GOVERNMENT

Staff: Bonnie Kim (786-7316)

Background: Growth Management Act. The Growth Management Act (GMA) is the comprehensive land use planning framework for counties and cities in Washington. The GMA sets forth three broad planning obligations for those counties and cities who plan fully under the GMA:

- the county legislative authority must adopt a countywide planning policy;
- the county, and the cities within the county, must designate critical areas, agricultural lands, forestlands, and mineral resource lands, and adopt development regulations accordingly; and

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- the county must designate and take other actions related to Urban Growth Areas (UGAs).

Comprehensive Plans—Elements. Comprehensive plans must include specific planning elements, each of which is a subset of the plan. The eight elements are land use, housing, capital facilities plan, utilities, rural, transportation, economic development, and parks and recreation.

Urban Growth Areas. Counties that fully plan under the GMA must designate UGAs, areas within which urban growth must be encouraged and outside of which growth may occur only if it is not urban in nature. Planning jurisdictions must include within their UGAs sufficient areas and densities to accommodate projected urban growth for the succeeding 20-year period. In addition, cities must include sufficient areas to accommodate the broad range of needs and uses that will accompany the projected urban growth, including, as appropriate, medical, governmental, institutional, commercial, service, retail, and other nonresidential uses.

Population Projections. The Office of Financial Management (OFM) determines the population of each county as of April 1st of each year. At least once every five years or on availability of census data, whichever is later, OFM must prepare 20-year growth management planning population projects for each county that adopts a comprehensive plan.

Buildable Lands Program. The Buildable Lands Program requires certain counties and cities within those counties planning under the GMA to consider actual development within their jurisdictions to determine whether they have designated adequate amounts of residential, commercial, and industrial lands to meet growth needs. BLRs are due in staggered eight-year cycles.

Summary of Bill: Comprehensive Plans—Elements. Economic development projections are added to the land use element. The housing element is amended to include a statement of policies for the preservation and development of a balance of housing types at a variety of economic price points and for consideration of tiny houses.

Urban Growth Areas. Urban character is defined to include patterns of land use and development established by a county in its UGAs:

- in which narrow thoroughfares, cityscapes, and human habitation predominate;
- that foster organized, structured human lifestyles, urban economies, and opportunities for commercial, service-based, and technological employment and lifestyles;
- that provide visual landscapes traditionally found in urban areas and suburban communities;
- that are compatible with the use of land for transportation, human habitation, and commercial development;
- that reduce the inappropriate conversion of undeveloped land into sprawling, low-density development by encouraging compact, efficient use of space for commerce and human habitation;
- that provide urban governmental services; and

- that are consistent with the balanced development of infrastructure desired for civilized human habitation, provision of green space for human health, and convenient provision of other services desired for public health, safety, and welfare.

In addition to population projections, jurisdictions planning under the GMA may utilize median household income estimates and housing forecasts prepared by the Department of Commerce Affordable Housing Advisory Board to permit urban growth in a way that encourages a variety of housing types, values, and densities.

Buildable Lands Program. Certain counties and cities that have designated UGAs must also review commercial uses and housing to ensure the UGA contains a balance of housing types, at a variety of price points and densities, and increased economic development.

Comprehensive plans designating UGAs must be revised to accommodate the urban growth that has developed since the prior review and to achieve the industrial, commercial, and residential growth projections for the succeeding 20-year period. In addition, comprehensive plans must consider the cost burden of housing on households within their jurisdiction. If more than one-third of the households in the jurisdiction are considered cost-burdened by paying more than 30 to 50 percent of their household income for housing or severely cost-burdened by paying more than 50 percent of their household income for housing, the UGA must be expanded.

Comprehensive plan and development regulation updates related to the Building Lands Program must occur within five years following the publication of the federal census. Provisions allowing for early revisions of the BLR are removed.

Appropriation: None.

Fiscal Note: Requested on January 16, 2019.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: This bill represents one tool to address affordable housing challenges. It is a work in progress. We need to develop useful tools while maintaining the GMA framework. This bill is attempting to address and expand the metrics locals use to determine UGA boundaries. This bill increases the ability of local governments to use housing and income-related metrics. It is important to look at the economics but jurisdictions must also be looking at household incomes. The urban character definition is appreciated but we may have some amendment requests. We need to have a conversation about how jurisdictions plan and to make allowances for housing development. Local development regulations could offer more flexibility for development.

CON: This bill challenges existing GMA protections and could lead to displacement of vulnerable populations. The expansion of UGA boundaries is not going to provide further affordable housing. Certain job centers have higher cost of living and providing housing many miles away will result in higher infrastructure costs that we cannot afford. We should

be working with cities to provide a variety of housing to tackle the affordable housing problem.

OTHER: The mandated UGA expansion based on housing costs should be amended to be permissive. Cities would like to add economic development as a consideration for UGA expansions. The BLR-related amendments should be stayed until after the updates to the program are implemented.

Persons Testifying: PRO: Senator Shelly Short, Prime Sponsor; Jan Himebaugh, Building Industry Association of Washington; Jeanette McKague, Washington REALTORS.

CON: Phyllis Farrell, League of Women Voters Washington; Bryce Yadon, Futurewise.

OTHER: Carl Schroeder, Association of Washington Cities; Paul Jewell, Washington State Association of Counties.

Persons Signed In To Testify But Not Testifying: No one.